

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

NICKELODEON U.K. LIMITED

(Amended by Special Resolution passed on 2 June 2006)

1. The name of the Company is Nickelodeon U.K. Limited.
2. The registered office of the Company is to be situated in England and Wales.
3. The objects for which the Company is established are:-
 - (a)
 - (i) to carry on in all parts of the world as principal and agent the business of licensing, distributing, renting, producing and exploiting motion picture films and television and other programming of all kinds and in all media and by films and other methods of recording which are now known or hereafter developed;
 - (ii) to carry on business as programme contractors for the purpose of the Broadcasting Act 1990 or any Act amending, repealing or replacing that Act in whole or in part, and subject to this to supply programmes or parts of programmes suitable for television and local sound broadcasting whether by the Company or by any other person, firm, corporation or authority;
 - (iii) to obtain all necessary permits or licenses required for the purpose of enabling the Company to carry on its business upon such terms and conditions as may be acceptable to it;
 - (iv) to acquire by purchase, exchange, lease or otherwise any land or building in, on or from which or in relation to which any production or occurrence in connection with the making of a television or sound broadcasting programme may take place, or which is otherwise suitable for the business of the Company;
 - (v) to produce, promote, present, organize, arrange and provide every kind of entertainment, diversion or instruction which may provide suitable material for inclusion in a television or sound broadcasting programme;
 - (vi) to acquire by purchase or otherwise the copyright in any material.

- (b) To carry on business as a general commercial company.
- (c) To carry on any other business or activity which may seem to the Company capable of being carried on directly or indirectly for the benefit of the Company.
- (d) To acquire by any means any real or personal property or rights whatsoever and to use, exploit and develop the same.
- (e) To conduct, promote and commission research and development in connection with any activity or proposed activity of the Company, and to apply for and take out, purchase or otherwise acquire any patents, patent rights, inventions, secret processes, designs, copyrights, trade marks, service marks, commercial names and designations, know-how, formulae, licences, concessions and the like (and any interest in any of them) and any exclusive or non-exclusive or limited right to use, and any secret or other information as to, any invention or secret process of any kind; and to use, exercise, develop, and grant licences in respect of, and otherwise turn to account and deal with, the property, rights and information so acquired.
- (f) To acquire by any means the whole or any part of the assets, and to undertake the whole or any part of the liabilities, of any person carrying on or proposing to carry on any business or activity which the Company is authorised to carry on or which can be carried on in connection therewith, and to acquire an interest in, amalgamate with or enter into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with, any such person and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, whether fully or partly paid up, debentures, or other securities or rights that may be agreed upon.
- (g) To subscribe for, underwrite, purchase or otherwise acquire, and to hold, and deal with, any shares, stocks, debentures, bonds, notes and other securities, obligations and other investments of any nature whatsoever and any options or rights in respect of them; and otherwise to invest and deal with the money and assets of the Company.
- (h) To lend money and give credit to any person.
- (i) To borrow money, obtain credit and raise finance in any manner.
- (j) To secure by mortgage, charge, lien or other form of security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, the performance or discharge by the Company or any other person of any obligation or liability.
- (k) To provide any guarantee or indemnity in respect of the performance or discharge of any obligation or liability by, or otherwise for the benefit of, any person.
- (l) To draw, make, accept, endorse, discount, negotiate, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (m) To apply for, promote and obtain any Act of Parliament, charter, privilege, concession, licence or authorisation of any government, state, department or

other authority (international, national, local, municipal or otherwise) for enabling the Company to carry any of its objects into effect or for extending any of the Company's powers or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any actions, steps, proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Company or of its members.

- (n) To enter into any arrangements with any government, state, department or other authority (international, national, local, municipal or otherwise), or any other person, that may seem conducive to the Company's objects or any of them, and to obtain from any such government, state, department, authority, or person, and to carry out, exercise and exploit, any charter, contract, decree, right, privilege or concession which the Company may think desirable.
- (o) To do all or any of the following, namely:
 - (1) to establish, provide, carry on, maintain, manage, support, purchase and contribute (in cash or in kind) to any pension, superannuation, retirement, redundancy, injury, death benefit or insurance funds, trusts, schemes or policies for the benefit of, and to give or procure the giving of pensions, annuities, allowances, gratuities, donations, emoluments, benefits of any description (whether in kind or otherwise), incentives, bonuses, assistance (whether financial or otherwise) and accommodation in such manner and on such terms as the Company thinks fit to, and to make payments for or towards the insurance of:
 - (a) any individuals who are or were at any time in the employment of, or directors or officers of (or held comparable or equivalent office in), or acted as consultants or advisers to or agents for -
 - (i) the Company or any company which is or was its parent company or is or was a subsidiary undertaking of the Company or any such parent company; or
 - (ii) any person to whose business the Company or any subsidiary undertaking of the Company is, in whole or in part, a successor directly or indirectly; or
 - (iii) any person otherwise allied to or associated with the Company;
 - (b) any other individuals whose service has been of benefit to the Company or who the Company considers have a moral claim on the Company; and
 - (c) the spouses, widows, widowers, families and dependants of any such individuals as aforesaid; and
 - (2) to establish, provide, carry on, maintain, manage, support and provide financial or other assistance to welfare, sports and social

facilities, associations, clubs, funds and institutions which the company considers likely to benefit or further the interests of any of the aforementioned individuals, spouses, widows, widowers, families and dependants.

- (p) To establish, maintain, manage, support and contribute (in cash or in kind) to any schemes or trusts for the acquisition of shares in the Company or its parent company by or for the benefit of any individuals who are or were at any time in the employment of, or directors or officers of, the Company or any company which is or was its parent company or is or was a subsidiary undertaking of the Company or any such parent company, and to lend money to any such individuals to enable them to acquire shares in the Company or in its parent company and to establish, maintain, manage and support (financially or otherwise) any schemes for sharing profits of the Company or any other such company as aforesaid with any such individuals.
- (q) To subscribe or contribute (in cash or in kind) to, and to promote or sponsor, any charitable, benevolent or useful object of a public character or any object which the Company considers may directly or indirectly further the interests of the Company, its employees or its members.
- (r) To pay and discharge all or any expenses, costs and disbursements, to pay commissions and to remunerate any person for services rendered or to be rendered, in connection with the formation, promotion and flotation of the Company and the underwriting or placing or issue at any time of any securities of the Company or of any other person.
- (s) To the extent permitted by law, to give any kind of financial assistance, directly or indirectly, for the acquisition of shares in the Company or any parent company of the Company or for the reduction or discharge of any liability incurred for the purpose of such an acquisition.
- (t) To issue, allot and grant options over securities of the Company for cash or otherwise or in payment or part payment for any real or personal property or rights therein purchased or otherwise acquired by the Company or any services rendered to, or at the request of, or for the benefit of, the Company or as security for, or indemnity for, or towards satisfaction of, any liability or obligation undertaken or agreed to be undertaken by or for the benefit of the Company, or in consideration of any obligation or liability (even if valued at less than the nominal value of such securities) or for any other purpose.
- (u) To procure the Company to be registered or recognised in any part of the world.
- (v) To promote any other company or entity for the purpose of acquiring all or any of the property or undertaking any of the liabilities of the Company, or both, or of undertaking any business or activity which may appear likely to assist or benefit the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares, debentures or other securities of any such company or entity as aforesaid.
- (w) To dispose by any means of the whole or any part of the assets of the Company or of any interest therein.

- (x) To distribute among the members of the Company in kind any assets of the Company.
- (y) To do all or any of the above things in any part of the world, and either as principal, agent, trustee, contractor or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.
- (z) To do all such other things as may be deemed, or as the Company considers, incidental or conducive to the attainment of the above objects or any of them.

AND IT IS HEREBY DECLARED that in this clause:

- (A) unless the context otherwise requires, words in the singular include the plural and vice versa;
- (B) unless the context otherwise requires, a reference to a person includes a reference to a body corporate (including, without prejudice to the generality of that term, any company which is a parent company of the Company, or is a subsidiary undertaking of the Company or any such parent company, or is associated in any way with the Company) and to an unincorporated body of persons;
- (C) a reference to any property, right or asset includes a reference to any interest in it, and a reference to any liability includes a reference to any loss;
- (D) references to "other" and "otherwise" shall not be construed *eiusdem generis* where a wider construction is possible;
- (E) a reference to anything which the Company thinks fit or desirable or considers or which may seem (whether to the Company or at large) expedient, conducive, calculated or capable, or to any similar expression connoting opinion or perception, includes, in relation to any power exercisable by or matter within the responsibility of the directors of the Company, a reference to any such thing which the directors so think or consider or which may so seem to the directors or which is in the opinion or perception of the directors;
- (F) the expressions "subsidiary undertaking" and "parent company" have the same meaning as in section 258 of and Schedule 10A to the Companies Act 1985 or any statutory modification or re-enactment of it;
- (G) nothing in any of the foregoing paragraphs of this clause is to be taken (unless otherwise expressly stated) as requiring or permitting the Company to exercise any power only for the benefit of the Company or only in furtherance of any of its objects;

the objects specified in each of the foregoing paragraphs of this clause shall be separate and distinct objects of the Company and accordingly shall not be in any way limited or restricted (except so far as otherwise expressly stated in any paragraph) by reference to or inference from the terms of any other paragraph or the order in which the paragraphs occur or the name of the Company, and none of the paragraphs shall be deemed merely subsidiary or incidental to any other paragraph.

- 4. The liability of the members is limited.

5. The share capital of the Company is £20,000 divided into a class of 1,000,000 A shares of £0.01 each and 1,000,000 B shares of £0.01 each (a total of 2,000,000 shares).

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of the Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, DESCRIPTIONS OF SUBSCRIBERS	ADDRESSES	AND	Number of Shares taken by each Subscriber
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For and on behalf of

Nickelodeon Huggings, U.K. Limited c/o MTV Europe 20-23 Mandela Street Camden Town London NW1 0DU England	100 A Shares
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Authorized Signatory

By:

For and on behalf of

Precis 1177 Limited 6 Centaurs Business Park Grant Way Isleworth Middlesex TW7 5QD United Kingdom	100 B Shares
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Authorized Signatory

By:

TOTAL SHARES TAKEN 200

DATED the 2nd day of March 1993

WITNESS to the above Signatures:

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

NICKELODEON U.K. LIMITED

(Altered by Special Resolution passed on 2 June 2006)

REGULATIONS OF THE COMPANY

1. TABLE A

- 1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) and as further amended by The Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No. 3373) (such Table being hereinafter called "**Table A**") shall apply to the Company save in so far as they are varied or excluded by or are inconsistent with these Articles; and regulation 1 shall so apply as if references to "**these regulations**" included references to these Articles. Accordingly, in these Articles "**the Act**" means the Companies Act 1985, including any statutory modification or re-enactment of it for the time being in force; and any reference in these articles to a provision of that Act includes a reference to any statutory modification or re-enactment of that provision for the time being in force.

- 1.2 Regulations 3, 8, 24, 29 to 31 (inclusive), 32, 40, 50, 53, 54, 60-62 (inclusive), 64, 65-69 (inclusive), 73-81 (inclusive), 88 to 91 (inclusive), 93, 100 and 118 in Table A do not apply to the Company.

2. DEFINITIONS

- (1) In these Articles:-

"**A Shareholders**" means the holders of A Shares for the time being in issue;

"**Business Day**" means any day except a Saturday, Sunday or other day on which commercial banks in London, England are generally closed for business; and

"**B Shareholder**" means the holder of B Shares for the time being in issue.

3. SHARE CAPITAL

The share capital of the Company on the date of adoption of these Articles is £20,000 divided into 1,000,000 A Shares of one penny each ("A Shares") and 1,000,000 B Shares of one penny each ("B Shares"). The A Shares and the B Shares shall be separate classes of shares but save as expressly provided by these Articles shall rank *pari passu* in all respects.

4. ALLOTMENT OF SHARES

4.1 Subject to the provisions of these Articles and with the prior written consent of both the A Shareholders and the B Shareholder, the directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (as defined in Section 80 of the Act) of the Company up to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of five years from the date of adoption of these Articles unless previously revoked, varied or reviewed by the Company in general meeting (provided always that, save as may otherwise be agreed by the A Shareholders and the B Shareholder, no allotment of A Shares shall be made other than to Nickelodeon Huggings U.K. Limited and/or Nickelodeon UK Holdings LLC and no allotment of B Shares shall be made other than to Kidsprog Limited). The directors may, after that period, allot any shares under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to Section 80 of the Act) be renewed, revoked or varied by ordinary resolution of the Company in general meeting.

4.2 Sections 89(1) and 90(1) to (6) (inclusive) of the Act, in their application to allotments by the Company of equity securities, are hereby excluded.

5. VARIATION OF RIGHTS

The rights attached to any existing shares shall not (unless otherwise expressly provided by the terms of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or subsequent thereto.

6. SHARE CERTIFICATES

In Regulation 6 in Table A there shall be inserted after the word "seal" the following words, namely:

"if the company has a seal, or otherwise executed in such manner as may be permitted by the Act".

7. LIEN

The Company shall have a first and paramount lien on all the shares registered in the name of any member (whether solely or jointly with others) for all moneys due to the Company from that member or that member's estate, whether solely or jointly with any other person (whether a member or not) and whether such moneys are presently payable or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The directors may at any time resolve that any share shall be exempt, wholly or partly, from the provisions of this Article.

8. CALLS ON SHARES

The directors may accept from any member the whole or any part of the amount remaining unpaid on any share held by him notwithstanding that no part of that amount has been called up.

9. TRANSFER OF SHARES

9.1 Save as may otherwise be agreed by the A Shareholders and the B Shareholder, no share or any interest therein may be transferred without the prior written approval of all the A Shareholders and all the B Shareholders for the time being. The directors shall be bound to approve a transfer which has such approval, but shall not approve for registration any other transfer.

9.2 None of the members of the Company shall under any circumstances transfer any of its shares, or any interest in shares, to any person other than another member of the Company or the Company itself.

9.3 No share and no interest in or rights attaching to any share shall be held by any member as a bare nominee for or sold or disposed of to any person except in accordance with this Article 9 and for the purposes of Articles 9 and 10 references to shares being transferred sold or disposed of shall include, without limitation:-

- (a) any direction (by way of renunciation or otherwise) by a member entitled to an allotment or transfer that a share be allotted or issued or transferred to some person other than himself; and
- (b) any sale or other disposition of any legal or beneficial interest in a share, whether or not for consideration.

10. ALTERATION OF SHARE CAPITAL

The Company may by special resolution:-

- (a) increase the share capital by such sum to be divided into shares of such amount as the resolution may prescribe;
- (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
- (c) subject to the provisions of the Act, subdivide its shares, or any of them, into shares of a smaller amount than its existing shares;
- (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled.

11. GENERAL MEETINGS

All general meetings of the Company shall be held at a place within the United Kingdom.

12. PROCEEDINGS AT GENERAL MEETINGS

12.1 No business shall be transacted at any general meeting unless a quorum is present. Two members present of whom one shall be or represent the A Shareholders and one of whom shall be or represent a B Shareholder shall be a quorum for all purposes.

- 12.2 In Regulation 41 in Table A there shall be inserted after the words "the directors may determine" the following words, namely: "and if at the adjourned meeting such a quorum is not present within half an hour from the time appointed for the meeting, one member present in person or by proxy or (being a corporation) by its duly authorized representative shall be a quorum".
- 12.3 A poll may be demanded by any member present in person or by proxy or (being a corporation) by its duly authorized representative. Regulation 46 in Table A shall be construed accordingly.
- 12.4 A resolution in writing of all the members who would have been entitled to vote upon it if it had been proposed at a general meeting at which they were present shall be as effectual as if it had been passed at a general meeting duly convened and held either:
- (a) if it consists of an instrument executed by or on behalf of each such member; or
 - (b) if it consists of several instruments in the like form, each either:
 - (i) executed by or on behalf of one or more of such members; or
 - (ii) sent by or on behalf of one or more of such members by telex or facsimile transmission and deposited or received at the office or received by the secretary.

13. VOTES OF MEMBERS

- 13.1 On a show of hands every member who is present in person shall have one vote and on a poll every member shall have one vote for every A Share of which he is the holder and one vote for every B Share of which he is the holder provided that:-
- (a) no A Shares shall confer any right to vote upon a resolution for the removal from office of a B Director (as defined in Article 15);
 - (b) no B Shares shall confer any right to vote upon a resolution for the removal from office of an A Director (as defined in Article 15);
 - (c) if at any time there shall be more than one holder of A Shares and if at any meeting any holder of any A Shares is not present in person or by proxy the votes exercisable on a poll in respect of the A Shares held by members present in person or by proxy shall be to that extent increased so that such A Shares together entitle such members to the same aggregate number of votes as could be the case in respect of all the A Shares if all the holders thereof were present; and
 - (d) the provisions of sub-paragraph (c) of this Article shall apply to the votes exercisable on a poll in respect of B Shares except that references to A Shares shall be construed as references to B Shares.
- 13.2 The Chairman of a general meeting shall not be entitled to a second or casting vote.
- 13.3 The instrument appointing a proxy shall be in writing in any usual or common form and shall (except in the case of an appointment by telex or a facsimile transmission of an appointment otherwise complying with the requirements of this Article) be executed by the

appointer or his attorney duly authorized in writing or in such other form as the directors may approve. A proxy need not be a member of the company.

- 13.4 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is executed, or a notarially certified copy of such power or authority, shall be deposited or received at the office (or at such other place in the United Kingdom as is specified for that purpose in any instrument of proxy sent by the company in relation to the meeting) not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or handed to the chairman of the meeting or adjourned meeting, and, in default, the instrument of proxy shall be invalid.

14. CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

Any one of the directors or the secretary for the time being of any corporation which is a member of the Company, or any other person appointed by resolution of the directors or other governing body of such corporation, may (subject to the Articles of Association of that corporation) act as its representative at any meeting of the Company or any class of members of the Company and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company. Any one of the directors or the secretary for the time being of the Company or any other person appointed by resolution of the directors or other governing body of the Company may act as its representative at any meeting of any corporation of which the Company is a member or of any class of members of such corporation and the person so authorized shall be entitled to exercise the same powers on behalf of the Company as the Company could exercise if it were an individual member of that corporation.

15. NUMBER OF DIRECTORS

The number of directors shall be five, three appointed by the A Shareholders (each an "**A Director**") and two by the B Shareholder (each a "**B Director**") in accordance with Article 18.

16. ALTERNATE DIRECTORS

- 16.1 Any director may by writing under his hand appoint any other person to be his alternate and any director appointed pursuant to Article 18 may have any other person appointed or removed as his alternate in like manner to such director's appointment and removal provided for by Article 18 (provided that each director may have only one alternate at any one time) and every such alternate shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of the directors and, in the absence from the board of the director for whom he is the alternate, to attend and vote at meetings of the directors and to exercise all the powers, rights, duties and authorities of the director for whom he is the alternate as if he were an A Director or a B Director (as the case may be). A director may at any time revoke the appointment of an alternate appointed by him, and appoint another person in his place, and if a director shall die or cease to hold the office of director the appointment of his alternate shall thereupon cease and determine. An alternate director shall not be counted in reckoning the maximum number of directors allowed by these Articles for the time being. A director acting as alternate shall have an additional vote at meetings of directors for each director for whom he acts as alternate but he shall count as only one for the purpose of determining whether a quorum is present.

- 16.2 Every person acting as an alternate director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the director for whom he is the alternate.

17. DELEGATION OF DIRECTORS' POWERS

- 17.1 The directors may delegate any of their powers to committees upon which both the A Directors and B Directors shall be represented. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed by the directors. Regulation 72 of Table A shall be construed accordingly, and the following words shall be added at the end of the first sentence of Regulation 72 in Table A, namely: "and may also appoint to any such committee persons who are not directors provided that the chairman and a majority of such committee shall be directors".
- 17.2 The meeting and proceedings of any committee of the directors formed pursuant to Article 17.1 above shall be governed by the provisions of these Articles regulating the meetings and proceedings of the directors, so far as the same are applicable and are not superseded by any regulations made by the directors under the last preceding paragraph of this Article 17.

18. APPOINTMENT AND REMOVAL OF DIRECTORS

- 18.1 The A Shareholders shall be entitled by notice in writing signed by them and left at or sent by registered post to the registered office for the time being of the Company or handed to the chairman of any meeting of the directors of the Company to appoint three directors and by like notice to remove any director so appointed and at any time and from time to time by like notice to appoint any other person to be a director in the place of the director so removed or in the place of any director vacating office in any way and originally so appointed by them. Any director so appointed shall be an A Director. Any notice given pursuant to this paragraph of this Article shall take effect immediately upon delivery to the registered office of the Company or to the chairman of any meeting of the directors of the Company.
- 18.2 The B Shareholder shall be entitled by notice in writing signed by them and left at the registered office for the time being of the Company or handed to the Chairman of any meeting of the directors of the Company to appoint two directors and by like notice to remove any director so appointed and at any time and from time to time by like notice to appoint any other person to be a director in the place of the director so removed or in the place of any director vacating office in any way and originally so appointed by them. Any director so appointed shall be a B Director. Any notice given pursuant to this paragraph of this Article shall take effect immediately upon delivery to the registered office of the Company or to the chairman of any meeting of the directors of the Company.
- 18.3 If either the A Shareholders or the B Shareholder removes a director in accordance with Article 18.1 or 18.2 respectively, it shall indemnify the Company against any proceedings, claims, losses and expenses incurred by the Company and arising from or in connection with that director's removal from office.
- 18.4 Every director appointed pursuant to this Article 18 shall hold office until he either is removed or dies or vacates office pursuant to Article 19 and (subject to the provisions of Section 303 of the Act) neither the Company in general meeting nor the directors shall have power to fill any such vacancy but the provisions of this Article may be relaxed or

varied to any extent by agreement in writing between the A Shareholders and the B Shareholder.

- 18.5 Any director appointed pursuant to this Article shall be at liberty from time to time to make such disclosures to the shareholder (and where such shareholder is a corporation to its holding company or any of the subsidiary companies of such holding company) appointing him as to the business and affairs of the Company as he shall in his absolute discretion determine.
- 18.6 Except in the manner provided by this Article 18, no person shall be appointed to fill any vacancy occurring in the office of director and neither the Company in general meeting nor the directors shall have power to fill any such vacancy.
- 18.7 Any appointment or removal of an A Director pursuant to Article 18 shall be decided upon by a majority in nominal value of the issued A Shares.

19. DISQUALIFICATION AND REMOVAL OF DIRECTORS

The office of director shall be vacated if the director:-

- (a) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (b) becomes prohibited from being a director by reason of any order made under the provisions of the Company Directors Disqualification Act 1986; or
- (c) in the opinion of all his co-directors becomes incapable by reason of mental disorder of discharging his duties as director; or
- (d) resigns his office by notice in writing to the Company; or
- (e) is removed from office under Article 18.

20. REMUNERATION OF DIRECTORS

The following sentence shall be added at the end of Regulation 82 in Table A, namely: "Any director who serves on any committee, or who devotes special attention to the business of the company, or who otherwise performs services which in the opinion of the directors are in addition to or outside the scope of the ordinary duties of a director (which services shall include, without limitation, visiting or residing abroad in connection with the company's affairs), may be paid such extra remuneration by way of salary, percentage of profits or otherwise as a simple majority of the directors may determine".

21. DIRECTORS APPOINTMENTS AND INTERESTS

In Regulation 84 in Table A there shall be substituted for the words "shall not be subject to retirement by rotation" the following words, namely: "shall be subject to the same provisions as to resignation and removal as other directors of the company".

22. DIRECTORS' AND EMPLOYEES GRATUITIES AND PENSIONS

The board of directors may:

- (a) establish and maintain, or procure the establishment and maintenance of, any share option or share incentive or profit sharing schemes or trusts or any non-

contributory or contributory pension or superannuation schemes or funds for the benefit of, and may make or give or procure the making or giving of loans, donations, gratuities, pensions, allowances or emoluments (whether in money or money's-worth) to, or to trustees on behalf of, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is associated with the Company or with any such subsidiary, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid, and to the wives, husbands, widows, widowers, families and dependants of any such persons;

- (b) establish and subsidize or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of the Company, or of any such other company as aforesaid, or of any such persons as aforesaid;
- (c) make payments for or towards policies of assurance on the lives of any such persons and policies of insurance of or in respect of any such persons (including insurance against their negligence) as aforesaid;
- (d) pay, subscribe or guarantee money to or for any charitable or benevolent objects, or for any exhibition, or for any political, public, general or useful object; and
- (e) do any of the above things either alone or in conjunction with any such other company as aforesaid.

Subject always, if the Act shall so require, to particulars with respect to the proposed payment being disclosed to the members and to the payment being approved by the Company, any director shall be entitled to participate in and retain for his own benefit any such loan, donation, gratuity, pension, allowance or emolument.

23. PROCEEDINGS OF DIRECTORS

- 23.1 Subject to the provisions of these Articles and save as may otherwise be agreed by the A Shareholders and the B Shareholder, the directors may regulate their proceedings as they think fit. Meetings may be held at any time, upon 5 Business Days' prior written notice with respect to meetings at which directors are expected to attend at a single location, and upon 2 Business Days' prior written notice with respect to telephone conference or similar communications meetings, in either case given by any A Director to the B Directors and all other directors or by any B Director to the A Directors and all other directors.
- 23.2 Except to the extent otherwise agreed from time to time by a simple majority of the board of directors, all meetings shall be held at 15-18 Rathbone Place, London W1P 1DF. Any A Director or B Director may waive notice of a meeting, in writing, before, at or after the meeting. The attendance of any A Director at a meeting of the board of directors shall constitute a waiver of notice of such meeting by the A Directors and the attendance of any B Director at any meeting of the board of directors shall constitute a waiver of notice of such meeting by the B Directors, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not properly called or convened.
- 23.3 Directors may participate in, and count in the quorum of, a meeting of the board of directors by means of telephone conference or similar communications equipment through

which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute attendance in person at such meeting.

23.4 The Company shall pay all travel costs of the directors incurred in connection with their attendance at meetings of the board of directors.

23.5 Save as may otherwise be agreed by the A Shareholders and the B Shareholder:

(a) the quorum necessary for the transaction of the business of the directors shall be two individuals present in person or in communication with the meeting by telephone, of whom one shall be an A Director or his duly appointed alternate, and one shall be a B Director or his duly appointed alternate (save that, for the avoidance of doubt, any director shall not count towards the quorum if such director is restricted from doing so in accordance with any agreement between the A Shareholders and the B Shareholder), provided always that if a quorum is not present for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand to be adjourned to the same day in the next week at the same time and place and in such case the presence of at least one A Director shall constitute a quorum for the transaction of business; and

(b) all resolutions put to the vote of a meeting of the board of directors shall be determined by a simple majority of the directors present (save that, for the avoidance of doubt, any director shall not be entitled to vote if such director is restricted from doing so in accordance with any agreement between the A Shareholders and the B Shareholder).

23.6 In the case of an equality of votes the chairman of the board of directors shall not have a casting vote.

23.7 Save as may otherwise be agreed by the A Shareholders and the B Shareholder, a resolution in writing of a simple majority of the directors in the case of the directors shall be as effectual as if it had been passed at a meeting of directors duly convened and held either:

(a) if it consists of an instrument executed by or on behalf of each such director; or

(b) if it consists of several instruments in the like form, each either;

(i) executed by or on behalf of one or more of such directors; or

(ii) sent by or on behalf of one or more of such directors by telex or facsimile transmission and deposited or received at the office or received by the secretary, and any such instrument executed or sent by or on behalf of an alternate director shall be deemed to have been duly executed or sent (as the case may be) by or on behalf of his appointor,

provided that any director who would not be entitled to count in the quorum in accordance with Article 23.5(a) and/or who would not be entitled to vote in accordance with Article 23.5(b) if the resolutions contained within the instrument were to be put to a meeting of the board of directors shall be disregarded for the purposes of this Article 23.7.

23.8 Each of the A Directors and each of the B Directors may communicate, to the A Shareholder or the B Shareholder respectively, any information acquired by him in relation

to the Company, subject always to any duty of confidentiality to which the A Shareholder or the B Shareholder may be subject.

- 23.9 Subject to any requisite declaration of interest in accordance with the provisions of the Act and (if applicable) Regulation 85 in Table A having been made by him a director may vote as a director in regard to any transaction or arrangement in which he is interested or upon any matter arising therefrom (provided that such director is not otherwise restricted from voting as a result of such interest in accordance with any agreement between the A Shareholder and the B Shareholder), and Regulation 94 in Table A shall be construed subject to this provision.

23.10 In Regulation 97 in Table A:-

- (a) there shall be inserted after the words "the appointment" the following words, namely: "or the terms of appointment"; and
- (b) the following words shall be deleted, namely: "and be counted in the quorum" and there shall be inserted after the words "his own appointment" the following words, namely: "and shall be counted in the quorum in respect of each resolution including that concerning his own appointment".

24. MINUTES

All actions by the board of directors shall be reflected in minutes of the meeting or telephone conference call or similar communications, which minutes will be furnished to each of the A Shareholder and B Shareholder within 10 Business Days after the date of such meeting.

25. THE SEAL

- 25.1 In Regulation 101 of Table A, there shall be substituted for the first sentence the following sentence, namely: "The company need not have a seal but if the company does have a seal, the seal shall only be used by the authority of the directors or of a committee of directors authorized by the directors.
- 25.2 The company is authorized pursuant to Section 39 of the Act for so long as its objects require or comprise the transaction of business in foreign countries to have an official seal for use in any territory district, or place elsewhere than in the United Kingdom.

26. CAPITALIZATION OF PROFITS

The following proviso shall be added to sub-clause (b) of Regulation 110 of Table A: "provided that the resulting shares distributed to the holders of the A Shares shall be A Shares and those distributed to the holders of the B Shares shall be B Shares and provided further that all new shares shall be issued in accordance with Article 4."

27. INDEMNITY

Subject to the provisions of, and so far as may be consistent with, the Act, the Company may:

- (a) indemnify out of the assets of the Company any person who is or was a director, or alternate director (including by funding any expenditure incurred or to be incurred by him), against any loss or liability, whether in connection with any proven or

alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company; and/or

- (b) purchase and maintain insurance for any person who is or was a director against any loss or liability or any expenditure he may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company.

For the purposes of this article, "associated company" has the same meaning as in section 309A of the Act.

28. WINDING UP

- 28.1 Save as may be otherwise be agreed by the A Shareholders and the B Shareholder, any member may requisition a general meeting of members of the Company for the purpose of passing a Special Resolution to wind up the Company pursuant to Section 84(1) of the Insolvency Act 1986 (or any statutory re-enactment thereof) (a "**Winding Up Resolution**"), by serving on the other member or members and on the Company a Notice of such meeting, giving 21 days' clear notice thereof. Such a meeting is in these Articles called a "Requisitioned Meeting", and shall be held at such place in the United Kingdom and at such time as shall be specified in the Notice of Meeting. A member requisitioning such a meeting is in these Articles called a "Requisitioning Member". A Requisitioned Meeting called in accordance with this Article shall be deemed to be duly convened for all purposes.
- 28.2 In addition to the right of every member to appoint a proxy to attend and vote for it, a Requisitioning Member shall for all purposes be empowered and authorized to appoint for and on behalf of any and all other members of the Company (and to execute the instrument or instruments of proxy or appointment accordingly) a proxy or proxies (in accordance with the provisions in that regard contained in these Articles) to attend and vote for such member or members at a Requisitioned Meeting; and any such appointment by the Requisitioning Member shall only be revoked if and to the extent that any other such member or its duly authorized representative (in the case of a member being a body corporate) or a proxy for such member duly appointed by it attends and votes at the Requisitioned Meeting on the Winding Up Resolution.
- 28.3 Subject to Article 28.4, on a Winding Up Resolution the Requisitioning Member shall (if voting in favour of the Winding Up Resolution) be entitled to cast on a poll in respect of the shares held by it such number of votes as shall be equal to three times the number of votes attached to all other shares in the capital of the Company.
- 28.4 The Requisitioning Member or its proxy shall be entitled to demand a poll on the Winding Up Resolution.
- 28.5 As soon as practicable following the occurrence of an Insolvency Event (as defined in Article 28.6) the members shall convene a general meeting of members of the Company for the purpose of considering a Winding Up Resolution and shall procure that such resolution is duly passed.
- 28.6 For the purposes of Article 28.6 an "**Insolvency Event**" shall mean any of the following events occurring in relation to a member or, where the context permits, in relation to the Company:-

- (A) bankruptcy (meaning, in the case of a member which is a company incorporated in England, either the passing of a resolution by the shareholders of that company for its winding up on the grounds of that company's liability to pay its debts or the making by a court of competent jurisdiction of an order for the winding up of that company on the grounds of that company's inability to pay its debts);
- (B) dissolution;
- (C) the making of an administration order within the meaning of Section 8 of the Insolvency Act of 1986;
- (D) the appointment of a receiver over the whole (or substantially the whole) of its assets, property and undertaking, provided that such appointment shall only constitute an Insolvency Event if the appointment has not been discharged, stayed or restrained within sixty days following the appointment; or
- (E) (in relation to a member which is resident, established or incorporated outside England and Wales) any event or legal or judicial proceedings analogous to those set out in sub-paragraphs (a) to (e) inclusive above (and, in relation to paragraph (d) above, subject to the proviso stated therein) occurring or being passed or made in respect of such member, including but not limited to the filing of a petition in respect of such member in the case of a voluntary proceeding under Title 11 of the United States Code, or a judgment, decree, or order against such member by a court of competent jurisdiction in the case of an involuntary proceeding under Title 11), of the United States Code.